

FEDERAL ENERGY REGULATORY COMMISSION

WASHINGTON, D. C. 20426

September 20, 2006

Dear Regulated Entity,

This letter is to address a correction the Commission is making related to the FY 2006 Gas Annual Charge billings. This correction is being made to address the incorrect allocation of the Commission's actual FY 2005 and estimated FY 2006 filing fee collections, which resulted in your company receiving: (1) a decreased FY 2005 "true-up" credit, and (2) an increased FY 2006 administrative annual charge. The updated assessment tables related to this correction are available on the Commission's web site within the new Gas Annual Charges section (www.ferc.gov/industries/gas/annual-charges.asp).

To address this error, the Commission calculated the amount due to your company as a result of your overpayment. This amount is listed in the "Difference" column on the updated assessment tables. As this is an overpayment, you will receive an immediate refund of this amount once you e-mail a completed ACH form to AnnualCharges@ferc.gov (the form is available at www.ferc.gov/industries/gas/annual-charges.asp). **Please note:** Regulated entities with an outstanding balance due can ask the Commission, via an e-mail to AnnualCharges@ferc.gov, to apply this amount to their outstanding balance.

When reviewing the enclosed assessment tables, please note that the Commission also took this opportunity to amend revenue figures related to FY 2006, which would typically have been adjusted in your FY 2007 assessment.

I apologize for any confusion this error may have caused. If you have any questions regarding any of the information on the Gas Annual Charges web page, please send an e-mail to AnnualCharges@ferc.gov or contact me directly at (202) 502-6161.

Sincerely,



Troy D. Cole, Director
Division of Financial Services